

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Comprehensive Review of Universal Service Fund Management, Administration, and Oversight)	WC Docket No. 05-195
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Schools and Libraries Universal Service Support Mechanism)	CC Docket No. 02-6
)	
Rural Health Care Support Mechanism)	WC Docket No. 02-60
)	
Lifeline and Link-Up)	WC Docket No. 03-109
)	
Changes to the Board of Directors for the National Exchange Carrier Association, Inc.)	CC Docket No. 97-21

COMMENTS OF AT&T CORP.

Pursuant to the Commission's *Notice*¹ and Sections 1.415 and 1.419 of the Commission's Rules, 47 C.F.R. §§ 1.415 and 1.419, AT&T Corp. ("AT&T") hereby submits these comments on one particular aspect of this rulemaking, which initiates a broad inquiry into means for improving the management and administration of the Universal Service Fund ("USF").

¹ *Comprehensive Review of Universal Service Fund Management, Administration, and Oversight*, WC Docket No. 05-195; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45; *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6; *Rural Health Care Support Mechanism*, WC Docket No. 02-60; *Lifeline and Link-Up*, WC Docket No. 03-109; *Changes to the Board of Directors for the National Exchange Carrier Association, Inc.*, CC Docket No. 97-21, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 05-124, released June 14, 2005 ("*Notice*"), published in 70 Fed. Reg. 41658 (July 20, 2005).

Paragraph 41 of the *Notice* seeks comment on proposed revisions to certain forms required for processing reimbursements under the Schools and Libraries program that will help combat waste, fraud and abuse. AT&T proposes one small but significant change in two forms used in the E-rate reimbursement process that should increase efficiency and avoid unnecessary expense and effort by the schools and libraries (*i.e.*, “Billed Entities”) as well as by Service Providers. As detailed below, AT&T proposes that a certification that is currently required in Block 4 of FCC Form 472, be moved instead into Block 2 of FCC Form 473. (Both Forms are found on the Schools and Libraries web site at <http://www.sl.universalservice.org/>.) This will allow the specified certification to be made only once per year by each service provider rather than requiring the service provider to complete - - and more importantly, each school and library to obtain - - the same certification on many thousands of forms each year, that are filed with each separate application for reimbursement.

Form 472 is filed by the Billed Entity (*i.e.*, each school and library) to obtain reimbursement of discounts on approved services that the Billed Entity has already paid for at a non-discounted rate. Depending on the volume of services obtained, the Billed Entity may submit this form only once per year, or for high volume users, as frequently as once per month. And, if a Billed Entity has multiple Service Providers, as many do, they must file separate Forms 472 for each Service Provider. Each time the Form 472 is filed, the Billed Entity must first obtain the written certification of the Service Provider in Block 4 of Form 472, either by fax, copy or original signature, for a very limited purpose: The Service Provider must certify that it will remit the discount amount (which it receives on behalf of the Billed Entity) to the Billed Entity as soon as possible, but no later than

10 days after receipt of reimbursement, and in all events, before the Service Provider makes any use of the reimbursement payment it has received on behalf of the Billed Entity. *See* Form 472, Block 4.

Under current practice, this certification must be made literally thousands of times per year by large Service Providers. This creates waste by requiring the Service Provider to repeat certifications thousands of times when a certification can be made only once annually on the FCC Form 473, “Service Provider Annual Certification Form.” More importantly, it creates waste by placing an unnecessary burden on the schools and libraries which, industry-wide, are now required to mail, messenger or fax Forms 472 to Service Providers many thousands of times per year - - all to obtain the same certification that a Service Provider could readily provide by a single certification on the Form 473. The current practice is extremely wasteful both in the expense and time entailed in transmitting documents and certifications back and forth, and in creating additional potential failure points that can impede the timely processing of reimbursements.²

The same certification that is now provided repetitively in Block 4 of Form 472, can simply be moved to Block 2 of Form 473 and be provided once each year. Form 473 is filed once per year by each Service Provider “to confirm that the Invoice Forms submitted by each service provider are in compliance with the FCC’s rules governing Universal Service for Schools and Libraries” and to so “inform the fund administrator.”

² Indeed, AT&T is aware of extreme cases where a school or library has tried to file for reimbursement at the eleventh-hour but could not complete Form 472 because it was unable to obtain the Service Provider’s certification within the strict time limits required (due, for example, to being in different time zones or having different working hours), thereby losing its reimbursement altogether. Such unnecessary mix-ups are most likely to occur with small entities that are not familiar with the required processes and deadlines and can least afford to lose their reimbursements.

See FCC Form 473, page 1 of 3, paras. 3-4. Block 2 already includes a number of other certifications as to the Service Provider's regulatory compliance and the truthfulness and accuracy of submitted information.

By adding the certification that is now in Form 472 to Form 473 instead, the Service Provider can make a single acknowledgement with respect to all claims for which it will be reimbursing the Billed Entity, certifying that it will comply as well with the requirements for the timely receipt and disbursement of discounts. Nothing is gained by requiring schools and libraries to obtain, and service providers to make, a separate certification, over and over again on each individual Form 472, thereby adding unnecessary time and expense to the process.

CONCLUSION

For the foregoing reasons, AT&T urges the commission to make the above-described changes in Forms 472 and 473.

Respectfully submitted,

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October 18, 2005

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